

MINUTES OF THE HANOVER BOROUGH COUNCIL
WATER & SEWER COMMITTEE

April 7, 2021 at 7:30 PM

Chairman Reichart convened the meeting of the Hanover Borough Council Water & Sewer Committee on Wednesday, April 7, 2021 at 7:30 PM, in the Hanover Municipal Building, 44 Frederick Street, Hanover, PA

Attendance: In attendance were Water and Sewer Committee Members Hegberg, Pranses and Reichart and Kress; Staff Members Assistant Public Works Supervisor Arnold, Manager Dunford, Finance Director Miller and Gannett Fleming Representative Mehaffey.

It was moved by Ms. Pranses, seconded by Mr. Hegberg to approve the minutes of October 8, 2020. Motion carried.

Public Comment: None was presented.

Water Meters:

Ms. Dunford reviewed the history of the water meter project and the staff recommendation on the next step for the water meter project, developed by the team of Borough Manager, Finance Director, Interim Meters Super and Consulting Engineer. The recommendation from the team is to contract with Gannett Fleming at a cost of \$48,000 to plan and supervise an "in house" phased project to install remotely read water meters rather than pursuing a performance management contract to install water meters.

Mr. Hegberg asked whether it is necessary to use Borough staff to install the new meters or whether a contractor could install the meters.

Mr. Mehaffey said meters could be installed whether by Borough personnel or a contractor and that the first step of the project is to establish the radio communications reading system and the next step is to determine if the project is best implemented a phased or holistic approach. Right now, it appears a phased approach is recommended because many existing meters will have functionality for many more years and can be adapted to remote read. Mr. Mehaffey recommended that CoStars public purchasing be used to acquire the communications towers to avoid paying engineers to manage bids. Prevailing wage requirements are likely.

Ms. Pranses said she would lean toward the in-house approach to the meter project and asked if, in light of the PUC rate case, the decision to phase the project must be made now.

Mr. Mehaffey responded that a decision needs to be made for the PUC case how much the Borough intends to invest in water meters.

Chairman Reichart asked Committee members if there is a consensus to move forward with the water meter project.

Mr. Mehaffey noted that the "in-house" project would be less costly to the Borough than the performance contract.

Chairman Reichart established with a consensus to adopt the 'in-house' alternative under a Gannett Fleming contract, and asked whether the meters would be installed by Borough staff or a contractor.

Mr. Mehaffey said that determining whether the project would be installed by a contractor or staff would be part of Gannett Fleming's scope of work.

Mr. Miller said developing the phasing plan will be more difficult than the selection of technology.

Mr. Reichart said the position has always been that the meter project would be phased.

Ms. Pranses commented that the Borough has a meter replacement program and this project modernizes it.

Chairman Reichart requested a motion, and it was moved by Ms. Pranses, seconded by Mr. Hegberg that the Borough enter into contract with Gannett Fleming to plan and support the Borough in undertaking the meter replacement program, which will be placed on the Council Workshop agenda. Motion carried.

2021 Meter Replacement Program:

Mr. Miller explained that the PUC sets requirements to pull and test meters every 20 years. The Borough has meters in place that are older than that. Several years ago, the Borough's annual investment in new meters was \$50,000 and now is \$150,000. Mr. Arnold and Mr. Miller assessed the current meter program, learning that some meters are not registering flow and that some commercial customers have had the same meters since 1999. They determined that the funds needed to maintain the water meter system is \$350,000 to meet PUC's requirement.

Mr. Hegberg asked, and Mr. Mehaffey will review the responsibility of a developer to pay for meters as part of the connection fee.

Chairman Reichart established a Committee consensus in favor of the proposal to increase the Borough's annual investment in water meters from \$150,000 to \$350,000.

Dam Rehabilitation Project

Mr. Mehaffey reported that the low bid for the project was 12 – 15 % above budget and that the low bidder is known and qualified. Mr. Mehaffey reviewed options to reduce the project scope which if adopted would save \$1.6 million, reducing project to \$9.2 million and bring the total project cost to \$10.1M. 5% of the revised total project would be earmarked for contingencies through change orders. Council would decide what changes to the project to make and then issue the contract and the change order reducing the project scope at the same time. Re-bidding of the project is not recommended because it is unlikely the Borough will get a better contract. It is difficult to estimate this project since COVID has affected pricing and contractors are in demand. Mr. Mehaffey said Council needed to make a decision within 90 days of the bid opening and although not in a time crunch it is also important to take advantage of the season and include the project in the PUC rate case.

Mr. Hegberg said it is difficult to agree to spending \$10 million to preserve only 11% of the Borough's water supply.

Mr. Mehaffey said the dam provides a water contribution to Long Arm Dam and that the Borough has explored well interconnections and use of the quarry through an exhaustive process to look at water sources for the Borough and the analysis continues to return to rehabilitation of the dam to maintain access to the drainage area as the best alternative.

Mr. Hegberg asked why the Borough is rehabilitating the dam for the benefit of other communities that are growing, and that the Borough cannot impose on these places conservation ordinances such as requirements for low flow toilets and showers.

Mr. Mehaffey said the project allows Borough residents to continue to pay a very low rate for water and not become owned by a private water company.

Ms. Pranses said the water system is not a drain on the Borough's budget.

Mr. Hegberg said he will abstain from the vote.

Mr. Kress said he assumes there is a consensus of professionals that the project is critical to running the water plant but has questions about Clear Lake.

Ms. Pranses noted that a lot of work was done by prior Councils and committees which can be reviewed in meeting minutes.

Mr. Reichart established a consensus that would like to reconvene on April 13 at 6:00 PM to discuss the dam.

Mr. Reichart asked staff to determine whether the Borough has in the past had a public water authority.

Mr. Mehaffey said if a water authority was disbanded, it was likely for reasons related to municipal control and money.

Organization of Water and Sewer Functions:

The Committee members expressed their support for the Borough Manager's proposal to re-organize the Water and Sewer functions of the Borough under a Director of Water Resources. Due to turnover in staff, the position can be created at no additional cost to the Borough. There will be an assistant to the new Director which will at first be an existing employee close to retirement. After that employee's retirement, there will be an assessment of the need for support staff.

The meeting recessed at 9:10 PM until Tuesday April 13, 2021 at 6:00 PM.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Nan Dunford".

Nan Dunford

Borough Manager & Recording Secretary